
Workforce Investments

Description	FY 2004 Actual	FY 2005 Approved	FY 2006 Proposed	% Change from FY 2005
Operating Budget	\$0	\$38,114,221	\$47,110,097	23.6
Community Investments	N/A	N/A	\$12,000,000	N/A
Resident Dividends	N/A	N/A	\$2,000,000	N/A

The mission of Workforce Investments is to pay compensation increases for nonunion and union District employees.

Each year, the District budgets an amount for Workforce Investments for pay raises and reforms that are expected in the budgeted year, but are not finalized. Employees covered and the dollar amounts vary from year to year, depending on what compensation changes are final or still outstanding. The Office of Budget and Planning develops estimates for the Workforce Investments budget in consultation with the D.C. Office of Personnel and the Office of Labor Relations and Collective Bargaining.

Gross Funds

The proposed Gross Funds budget is \$47,110,097, representing an increase of \$8,995,876 or 23.6 percent from the FY 2005 approved budget of \$38,114,221. There are no FTEs for the agency, representing no change from FY 2005.

Community Investments

The Mayor proposes additional community investment funding in the amount of \$12,000,000 and no FTEs for the following programs:

- \$1,000,000 to fully fund a proposed pay increase for selected nonunion employees
- \$6,000,000 to start eliminating the pay gap between union and nonunion employees
- \$5,000,000 for other union pay increases

Resident Dividends

The Mayor proposes additional resident dividend funding in the amount of \$2,000,000 for the following program:

- \$2,000,000 for military pay differential
- Resident dividend funding is non-recurring.

Funding by Source

Table UP0-1 shows the source of funding for Workforce Investments.

Table UP0-1

FY 2006 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Appropriated Fund	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
Local Fund	0	0	38,114	47,110	8,996	23.6
Total for General Fund	0	0	38,114	47,110	8,996	23.6
Gross Funds	0	0	38,114	47,110	8,996	23.6

Expenditures by Comptroller Source Group

Table UP0-2 shows the FY 2006 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table UP0-2

FY 2006 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
11 Regular Pay - Cont Full Time	0	0	29,864	38,512	8,648	29.0
13 Additional Gross Pay	0	0	3,223	1,684	-1,540	-47.8
14 Fringe Benefits - Curr Personnel	0	0	4,018	4,545	526	13.1
15 Overtime Pay	0	0	1,009	2,370	1,361	135.0
Subtotal Personal Services (PS)	0	0	38,114	47,110	8,996	23.6
Total Proposed Operating Budget	0	0	38,114	47,110	8,996	23.6

General Fund

Local Funds. The proposed budget is \$47,110,097, representing an increase of \$8,995,876 or 23.6 percent from the FY 2005 approved budget of \$38,114,221. There are no FTEs for the agency, representing no change from FY 2005.

Changes from the FY 2005 approved budget are:

- An increase of \$1,100,000 for Emancipation Day holiday pay.
- An increase of \$6,540,000 for partial funding of a 4 percent base pay increase for nonunion employees, effective October 2005 (excluding nonunion uniformed employees, Legal Services, Executive Services, and nonunion employees in D.C. Public Schools, University of the District of Columbia, Department of Mental Health, and Office of the Chief Financial Officer).
- An increase of \$1,355,876 for other anticipated labor cost changes.

In addition, the Mayor proposes additional local funding in the amount of \$12,000,000 and no FTEs for community investments, and \$2,000,000 and no FTEs for resident dividends initiatives. For more information on Workforce Investments' community investments and resident dividends initiatives, please refer to the end of this chapter.

Programs

This fund contains money to cover labor cost increases that were anticipated but were not approved by the Council prior to the Mayor's submission of the FY 2006 proposed budget to the Council. These labor cost increases can include negotiated wage agreements with the District's unions, nonunion wage increases, and labor costs associated with District-wide classification and compensation reforms. The D.C. Public Schools, Department of Mental Health and the University of the District of Columbia (except for employees in Compensation Units 1, 2, and 15) are not included in the cost estimates for this fund because they do not follow the Mayor's pay authority.

The Office of Labor Relations and Collective Bargaining, within the Office of the City Administrator, is the lead agency in representing the District in union labor negotiations, arbitrations, and other labor matters. The D.C. Office of Personnel is the lead agency for handling pay increases for nonunion employees under the pay authority of the Mayor. Once a labor agreement between the District and a union has been reached, or a nonunion pay increase is proposed, the Mayor submits the proposals to the Council for consideration. After the Council approves a pay proposal, the appropriate funding is transferred from Workforce Investments to the affected agencies for distribution to employees.

Community Investments

The Mayor's proposed budget includes additional Local funds in the amount of \$12,000,000 and no FTEs to provide funding for the following initiatives:

- \$1,000,000 and no FTEs to fully fund proposed non-union pay raises. The additional funding for this initiative will fully fund the \$7,540,000 estimated cost of providing a 4 percent base pay increase for nonunion employees, effective October 2005 (excluding nonunion uniformed employees, Legal Services, Executive Services, and nonunion employees in D.C. Public Schools, University of the District of Columbia, Department of Mental Health, and Office of the Chief Financial Officer).
- \$6,000,000 and no FTEs to start eliminating the pay gap between union and nonunion employees. The additional funding for this program will start to eliminate the 13.1 percent pay disparity between union and nonunion salaries of employees under the Mayor's personnel authority. This initiative will support a pay harmonization effort for approximately 3,000 nonunion employees.
- \$5,000,000 and no FTEs to fund other union pay increases.

Table UP0-3

FY 2006 Proposed Budget and FTE's for Community Investments by Program
 (dollars in thousands)

Comptroller Source Group	Proposed FY 2006 Local
0011 Regular Pay - Cont Full Time	\$10,435
0014 Fringe Benefits - Curr Personnel	\$1,565
Subtotal Personal Services (PS)	\$12,000
Total for Community Investments	\$12,000

Table UP0-4

FY 2006 Proposed Budget and FTE's for Community Investments by Program
 (dollars in thousands)

Program	Proposed FY 2006 Local Funds	Proposed FY 2006 FTEs
1000 Workforce Investments	\$12,000	0
Total for Resident Dividends	\$12,000	0

Table UP0-5

FY 2006 Proposed Budget for Resident Dividends by Comptroller Source
 (dollars in thousands)

Comptroller Source Group	Proposed FY 2006 Local
0011 Regular Pay - Cont Full Time	\$1,739
0014 Fringe Benefits - Curr Personnel	\$261
Subtotal Personal Services (PS)	\$2,000
Total for Resident Dividends	\$2,000

Table UP0-6

FY 2006 Proposed Budget and FTEs for Resident Dividends by Program
 (dollars in thousands)

Program	Proposed FY 2006 Local Funds	Proposed FY 2006 FTEs
1000 Workforce Investments	\$2,000	0.0
Total for Resident Dividends	\$2,000	0.0

Resident Dividends

The Mayor's proposed budget includes additional Local funds in the amount of \$2,000,000 and no FTEs to provide funding for the following initiatives:

- \$2,000,000 and no FTEs for a military pay differential. The additional funding for this initiative will cover the costs of the District's Operation Enduring Freedom and Iraqi Freedom Military Pay Differential legislation, which ensures that the District will make up the salary difference between a government salary and military salary of any District government employee serving in Operating Enduring Freedom or Iraqi Freedom. Current legislation expire March 29, 2005, but extensions of the current legislation are pending.

